

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of)
)
Review of the Commission's)
Regulations Governing)
Television Broadcasting)
)
Television Satellite)
Stations Review of Policy)
and Rules)

MM Docket No. 91-221

MM Docket No. 87-8

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TO: The Commission

REPLY COMMENTS OF CENTENNIAL COMMUNICATIONS, INC.

Centennial Communications, Inc. (Centennial), by counsel, now submits its reply comments to the comments submitted by "The Local Station Ownership Coalition (Coalition)" on May 17, 1995. One of the members of the Coalition is LIN Television Corporation (LIN). As noted in Centennial's comments, Centennial is the licensee of WGNT, Channel 27, Portsmouth, VA. LIN (through a subsidiary) is the licensee of WAVY-TV, the NBC affiliate in the same market, and it operates a second station in the same market (WVBT) pursuant to an LMA.

The Coalition argues in favor of allowing common ownership or control of two television stations in a market so long as one of the stations is a UHF station. The Coalition argues that if a station combination does not violate antitrust law, the Commission should allow the combination.

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The Coalition focuses primarily on the question of whether combinations of stations could dictate advertising rates. The Coalition's arguments must be rejected because it would reduce the Commission's role in ensuring fair competition to a nullity and because it ignores the ways in which such combinations can lead to unfair competition and disserve the public interest.

The Coalition's comments simply ignore several ways in which local duopolys of television stations can disserve the public interest. As noted in Centennial's comments, LIN's LMA with WVBT has resulted in at least eighteen hours a week of programming being duplicated over both WAVY and WVBT. Such duplication does not result in additional choice to viewers and in fact results in a waste of valuable frequency resources. Centennial also documented several concrete examples of how the LMA had hurt its competitive position. The result of the LMA has been to further concentrate market power in the market for programming and to erode the competitive position of the primary locally-owned station in the market that is not affiliated with a network or a group owner. The Coalition's focus on advertising rates is inappropriate because it ignores other important elements of competition - the market for programming and the ability of locally-owned, independent stations to obtain access to quality programming.

It is neither lawful nor appropriate for the Commission to use antitrust law as the sole yardstick for approving duopolys. Such an approach would render a nullity the Commission's requirement that all assignments serve "the public interest, convenience, and necessity." See 47 U.S.C. §310(d). Antitrust law has never been considered the sole remedy for unfair competition in other markets. Antitrust law has always been used in concert with other remedies such as regulation by the Federal Trade Commission and state laws regulating unfair competition. In this case, the Commission has a unique responsibility to ensure a competitive and diverse market. It also has a responsibility to ensure that television viewers receive a varied and diverse mix of programming options. Antitrust law is not designed to meet either responsibility. The Coalition would allow an environment in which programming would be duplicated on multiple stations on the same market, local owners would face anti-competitive pressures from group owners and diminished access to programming, and the public would be denied a market with the greatest possible number of independent programming sources. The Commission must reject the Coalition's self-serving arguments and act to protect competition and diverse programming.

Accordingly, Centennial asks the Commission to reject the Coalition's arguments and to adopt the position detailed in Centennial's comments.

Respectfully submitted,

CENTENNIAL COMMUNICATIONS, INC.

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Date: June 16, 1995

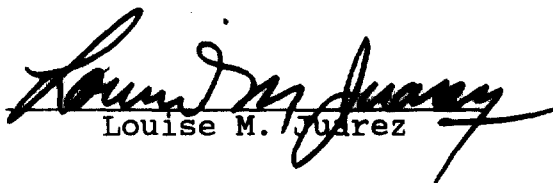
CERTIFICATE OF SERVICE

I, Louise M. Juarez, do hereby certify that on the 16th day of June 1995, a copy of the foregoing "Reply Comments of Centennial Communications, Inc." was sent first-class mail, postage prepaid to the following:

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